



# WISCONSIN REGULATORY DIGEST

## A Publication of the FUNERAL DIRECTORS EXAMINING BOARD

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### Is There Life in Death Stocks?

That was the title of an article written by William Spain for CBS.MarketWatch.com on August 22, 2000. At its meeting on September 19, 2000, the Funeral Directors Examining Board noted with interest this article, especially the following excerpts from it:

“Faced with declining mortality, crushing debt loads, a string of missed earnings reports, bad press and changing consumer attitudes, the stock prices of funeral-industry consolidators like Service Corp. International and Stewart Enterprises have flat-lined.”  
“And the short-term outlook for improved performance in the \$20 billion industry, barring an epidemic or natural disaster, is bleak. A much-anticipated death boom that drove SCI, Stewart and Loewen into a frenzy of funeral-home and cemetery acquisitions over the last decade has largely failed to materialize. However, their high fixed costs remain, and operators have limited options for increasing revenues.”

### THE WISCONSIN FUNERAL DIRECTORS EXAMINING BOARD

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“Death and taxes aren’t the only things inevitable in the funeral industry. All of the major companies have dug themselves into a deep hole of debt. The bill for all those overpriced properties is beginning to come due, and how – and if – it gets paid is going to determine who is going to climb out.”

“Fortunately, there may be a white light at the end of the tunnel. While the number of deaths is expected to be a disappointing 2.4 million this year (or about 100 per funeral home), that number is destined to increase as the U. S. population continues to age. The first baby boomers will hit 60 within a decade – the lower end of the industry’s target demographic. The Census Bureau predicts that in 2010, 2.6 million Americans will go to their reward, a number that will rise to 2.9 million by 2020 and 3.3 million by 2030.”

The Board has also noted predictions of the Cremation Association of America that by the year 2010 the number of cremations in Wisconsin will be 57.23% of all deaths. Finally, the Board has taken note that there is a shortage of funeral directors in Wisconsin.

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#### Licensing Statistics

The number of active licensees as of October 18, 2000, was as follows:

Funeral Directors –	1,281
Funeral Establishments –	631
Apprentices –	124
Agents for Insurance-funded Burial Agreements –	317

### **Complaint Statistics**

The complaint statistics as of September 14, 2000, were as follows:

Complaints Received – 19
Complaints Closed After Screening – 14
Complaints Closed After Investigation – 1
Complaints Closed With Formal Action - 1

### **Apprentice Advisory Committee**

The advisory committee has completed its work and the Board has taken action on all of the recommendations of the committee. The Board approved the new Funeral Director Apprenticeship Training Workbook, recommended by the committee. The workbook is dated June 2000. It contains all instructions and forms needed by the apprentice and the funeral director-employer to comply with the apprenticeship requirements. It contains a complete list of tasks to be performed by the apprentice. The level of supervision by a licensed funeral director is designated for each task. Some of the former, so-called “busy work,” consisting of essays and book reports, has been eliminated.

The Board has also recommended statutory changes that would change the apprenticeship permit to a 4-year permit which would not have to be renewed each year and that would eliminate the filing of semi-annual reports to the Board by the apprentice and the funeral director-employer.

The Board and the department are grateful to the funeral directors that served on the committee: Daniel Densow, JC Frazier, John Houck, Mark Krause, Stephanie VonBehren, and James Augustine (Coordinator, Funeral Service Program, MATC).

The Board is also grateful for the assistance of staff in the Department of Workforce Development (Kay Haishuk, Ken Moore, Karen Morgan and Kathy O’Sullivan) and staff in the Department of Regulation and Licensing (Judy Mender, Roxanne Peterson, Patty Williams and Clete Hansen).

### **Legislative Update**

1999 Wisconsin Act 9 – Biennial Budget Bill. This act relates to new disclosure requirements for persons that sell cemetery merchandise and was effective on October 29, 1999. It contained several provisions that pertain to persons (other than funeral

directors) who sell or offer for sale a casket, outer burial container or cemetery merchandise. The provisions require the disclosure of certain information and prohibit misrepresentation and misleading information. The Department of Regulation and Licensing sent information about the new law to all registered cemeteries and representatives of professional associations whose members are affected by the new requirements. We trust that all registrants are abiding by the new law. You may find a copy of the mailing we sent to cemeteries on our website: [www.drl.state.wi.us/](http://www.drl.state.wi.us/). Click on “What’s New”..

1999 Wisconsin Act 191. This act eliminated the authority of the Commissioner of Insurance to promulgate rules establishing minimum standards for benefits and compensation arrangements for burial agreements funded by a life insurance policy. This act became effective on July 1, 2000.

### **Regulation of Crematories**

The Board has continued its review of a regulatory draft prepared by board member, Dan Densow, and other persons in the industry who assisted him. The Board has also discussed alternatives for regulating crematories and cremations with Secretary Marlene Cummings. Both the Board and Secretary Cummings believe that some type of regulation is needed at this time. The primary issues are whether the new regulation should be contained in a separate bill or whether it should be included with other proposals, such as the department’s comprehensive cemetery proposal. Another issue relates to who should regulate cremations and crematories, the Funeral Directors Examining Board, the Department of Regulation and Licensing, or (to some degree) both.

It appears that both the funeral and cemetery segments of the industry will support some kind of regulation of crematories and cremations. Therefore, you should anticipate that a bill will be introduced in the upcoming 2001-2002 legislative session.

### **Certificates in Good Standing**

There was considerable discussion during the past year or so about the proposed revisions to the statutes that provide for certificates in good standing. Legislation will be introduced in the upcoming 2001-2002 legislative session. More discussion will follow and, hopefully, the law will be amended. Unfortunately, not everyone agrees on the kinds of changes that need to be made to the current law.

### **Lists of Registrants**

The department will soon be implementing 1999 Wisconsin Act 88, which limits the disclosure of personal identifiers by the department on lists that contain the personal identifiers of 10 or more individuals. A "personal identifier" is a name, social security number telephone number, street address, post office box number or 9-digit extended zip code. Thus, any form that the department requires you to complete, in order to apply for or renew a credential, must include a place for you to declare that the personal identifiers collected on the form may not be disclosed on any list that the department or a credentialing board furnishes to another person. If you complete such a declaration the department will not be permitted to disclose your personal identifiers on such lists. Exception: lists furnished to another state agency, a law enforcement agency or a federal governmental agency.

### **Reports of Decisions**

The Department of Regulation and Licensing publishes the Reports of Decisions on a monthly basis. They contain disciplinary orders issued by the professional regulatory boards and by the Department. Orders from December, 1998, to the current month are now available at the following Web address: <http://www.dlr.state.wi.us>

The Reports of Decisions include final orders issued by the Department of Regulation and Licensing and the boards attached to the Department. Decisions routinely included are decisions in cases initiated by the filing of a formal complaint or petition for summary suspension, disciplinary decisions reached through stipulation, cases dismissed without discipline, interim orders staying imposition of discipline, orders modifying limitations previously imposed and court decisions relating to orders issued by the Department or a Board. This report does not include decisions to deny or grant an initial credential application or renewal application unless the grant or denial followed a hearing and relates to a ground for discipline. Reports are prepared each month and take about four weeks to process from the close of the reporting period.

### **New Credential Holder Query**

Be sure to check out the department's new credential holder query feature on the Internet. You will find it at our website: <http://www.dlr.state.wi.us>

By accessing this site you will be able to verify whether an individual or business entity holds or has held a license in any of the professions regulated by

the department. You will also find a list of the licensed employees under each broker or business entity.

### **Continuing Education**

The Board continues to explore the most effective and efficient ways for assuring that funeral directors have completed the required 15 hours of continuing education every 2 years. It's most recent request to staff in the department was that a letter be sent to every licensee who is the subject of a complaint that has been opened for investigation. Such letters are now being sent. They ask the licensee to send proof that he or she had completed the required education during the past 2-year licensing period. Already a few licensees have been caught without such proof. Watch for more information in the next newsletter.

Some of you might be inclined to say: "Why doesn't the Board simply require everyone to send proof with their renewal applications?" Sounds simple, but it isn't. The follow-up telephone calls, letters, investigations, and disciplinary actions take a tremendous amount of resources. The department requested positions and money in its Biennial Budget Bill request two years ago; however, unfortunately, the request was removed from the budget somewhere along the line.

### **Disciplinary Actions**

#### **FOSSUM FUNERAL HOME**

##### **ONALASKA WI**

##### **REPRIMAND**

Refused to comply with a duly authorized request for information by the board in a timely manner. Failed to demonstrate respect for the feelings of individuals involved in the grieving process by leaving matters pending for family members of the deceased for too long a period of time. Effective 9/19/2000. FD 3.02(5),(10) Case #LS0009191FDR

#### **ELAINE R FOSSUM**

##### **BANGOR WI**

##### **SUSPENDED/COSTS**

Refused to comply with a duly authorized request for information by the board in a timely manner. Failed to demonstrate respect for the feelings of individuals involved in the grieving process by leaving matters pending for family members of the deceased for too long a period of time. Effective 9/19/2000. FD 3.02(5),(10) Case #LS0009191FDR

#### **GARY A HARTSON**

##### **HALES CORNERS WI**

##### **REPRIMAND/COSTS**

Business cards were printed for an apprentice employed at the funeral home indicating that this employee was a funeral director, when in fact he was not. Effective 7/18/2000. Sec. 445.04(2), Stats. FD 3.02(1) Case #LS0007181FDR

# REGULATORY DIGEST

PRSRT STD  
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RETURN SERVICE REQUESTED

## Telephone Directory

The Division of Business Licensure & Regulation has a menu telephone system which is designed to more efficiently direct the caller to the appropriate section. The telephone number for staff is:

**(608) 266-5511**

After dialing this number you are asked to press various extensions. For the following requests, please press numbers as noted:

<b>Applications Forms</b>	<b>Press 11</b>
<b>Complaints Against Licensees</b>	<b>Press 12</b>
<b>Application Processing &amp; Requirements</b>	<b>Press 42</b>
<b>Whether A Person is Licensed</b>	<b>Press 442</b>
<b>Fax Number</b>	<b>608) 267-3816</b>

## Visit the Department's Web Site

[www.drl.state.wi.us](http://www.drl.state.wi.us)

For our new "Online Verification of Credential Holders" click on the "Credential Holder Query" button.

Copies of the Regulatory Digest are on the Web.

Send comments to [dorl@drl.state.wi.us](mailto:dorl@drl.state.wi.us)

## Wisconsin Statutes and Code

Copies of the Wisconsin Statutes and Administrative Codes Relating for the Funeral Directors Examining Board can be ordered from the Department. Include your name, address, county and a check payable to the Department of Regulation and Licensing in the amount of \$5.28. The latest edition is dated November, 1997.

## Change of Name or Address?

Please photocopy the mailing label of this digest, make changes in name or address, and return it to the Department. Confirmation of changes is not automatically provided.

**SECTION. 440.11, STATS., ALLOWS FOR A \$50 PENALTY TO BE IMPOSED WHEN CHANGES ARE NOT REPORTED WITHIN 30 DAYS.**

## Subscription Service

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